## AMENDED IN ASSEMBLY JUNE 21, 2010 AMENDED IN SENATE JUNE 1, 2010 AMENDED IN SENATE APRIL 5, 2010

**SENATE BILL** 

No. 1143

**Introduced by Senator Liu** (Coauthor: Senator Alquist)

February 18, 2010

An act to add Section 84502 to the Education Code, relating to community college funding colleges.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1143, as amended, Liu. Community-college funding. colleges: student success and completion.

Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the 3 segments of public postsecondary education in this state. Existing law establishes a system of funding community colleges pursuant to which calculations based on the number of full-time equivalent students (FTES) enrolled in classes at the colleges are a major factor.

This bill would require the board of governors to calculate FTES using the average active enrollment in a course as of a specified census date and at course completion. The bill would authorize the board of governors to adopt an alternative and equivalent calculation method for designated types of courses. The bill would require that a decrease in FTES in a district that is due solely to a change in calculation required by this bill shall not result in a reduction in the general apportionment made to that district prior to the 2013–14 fiscal year. The bill would

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prohibit implementation of the FTES calculation from resulting in a reduction in overall system funding for student enrollment or statewide requested changes in budgeted workload FTES.

This bill would require the board to adopt a plan for promoting and improving student success within the California Community Colleges and to establish a taskforce to examine specified best practices and models for accomplishing student success. The bill would require the taskforce to develop and present specified recommendations to the board for incorporation into the plan to improve student success and completion within the California Community Colleges. The bill would require the board, prior to implementation of the plan, to report the contents of the plan, and the recommendations of the taskforce, to specified legislative committees by June 1, 2012.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
  - (a) The low rate of degree completion among community college students is threatening California's economic future.
  - (b) In order to reach the education levels of the most competitive economies, the number of students earning college degrees in California each year must increase by more than 50 percent.
  - (c) Over 70 percent of public undergraduate enrollment in California is in the community colleges.
  - (d) Only 24 percent of degree-seeking students complete a certificate or associate degree or transfer to a four-year college or university within six years.
  - (e) Under current law, community colleges receive most of their annual funds based on student enrollment in the third week of each semester.
  - (f) This method of allocating funds creates an incentive for community colleges to enroll students, but no fiscal incentive for those colleges to help students complete their courses and earn degrees. Currently, only about 60 percent of community college courses are successfully completed.
- 21 (g) Many of today's community college students require 22 extensive academic and student support services to remain enrolled

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1 and succeed. Community colleges lack the resources and the 2 incentives to invest in this level of student support.

- SEC. 2. Section 84502 is added to the Education Code, to read: 84502. For purposes of calculating changes in full-time equivalent students (FTES) enrollment pursuant to paragraphs (1) to (6), inclusive, of subdivision (d) of Section 84750.5, the rules and regulations prescribed pursuant to Section 84500 shall calculate full-time equivalent student enrollment using the average active enrollment in a course as of the census date at the one-fifth point and at course completion.
- (a) The board of governors may adopt an alternative and equivalent calculation method for the following:
  - (1) Short term credit courses.
  - (2) Irregularly scheduled credit courses.
- 15 (3) Open entry/open exit courses.
- 16 (4) In-service training courses.
- 17 (5) Noncredit courses, except for distance education courses.
  - (6) Apprenticeship classes of related and supplemental instruction.
    - (7) Tutoring courses.

- (b) The board shall adopt one or more weighting factors for the FTES calculation in order to ensure that districts do not have a disincentive to enroll students from demographic groups with historically lower rates of course completion, including low-income students as measured by Pell Grant eligibility, English language learners, students with disabilities, and students entering with English or math, or both, competencies below college level.
- (c) A decrease in the FTES of a district that is due solely to the change in calculation required by this section shall not result in a reduction of revenue apportioned to that district pursuant to Section 84750.5 prior to the 2013–14 fiscal year.
- (d) The implementation of the FTES calculation prescribed by this section shall not result in a reduction in overall system funding for student enrollment or statewide requested changes in budgeted workload FTES. Notwithstanding Section 84750.5, the funding rates per FTES set forth in subdivision (d) of Section 84750.5 shall be adjusted by dividing the appropriation for FTES in the Budget Act of 2010 by the number of FTES calculated pursuant to the ealculation prescribed by this section.

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(a) The Board of Governors of the California SEC. 2. 2 Community Colleges shall adopt a plan for promoting and 3 improving student success within the California Community 4 Colleges and shall establish a taskforce to examine best practices within the community colleges and effective models throughout the nation for accomplishing student success. The members of the taskforce shall include a broad representation of stakeholders, 8 including, but not limited to, faculty.

- (b) The taskforce shall develop and present recommendations to the board for incorporation into the plan to improve student success and completion within the California Community Colleges. These recommendations shall focus on, but not be limited to, all of the following considerations:
- (1) Multiple measures and effective programs for assessing student success and completion.
- (2) Statutory and regulatory barriers to student success and completion.
- (3) Best practices for promoting student success and completion, including, but not limited to, the acquisition of basic skills.
- (4) Alternative funding options for providing necessary services to students and promoting best practices for student success and completion.
- (5) Alternative funding options instituted in other states for improving student success and completion.
- (6) The effective use of technology by community colleges and districts to promote, evaluate, and improve student success and completion.
- (c) Prior to presenting recommendations pursuant to subdivision (b), the taskforce and the board shall facilitate discussions with key community college stakeholders and other appropriate parties to provide input on the findings and recommendations of the taskforce.
- (d) Prior to implementing the plan adopted pursuant to subdivision (a), the board shall report the contents of the plan, and the recommendations of the taskforce, to the Senate Committee on Education and the Assembly Committee on Higher Education at a joint hearing that shall be convened on or before June 1, 2012.